

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL  
DIVISION OF AIR AND WASTE MANAGEMENT  
SITE INVESTIGATION & RESTORATION BRANCH

MEMORANDUM

TO: Brownfields Advisory Committee

FROM: James M. Poling, Brownfields Administrator

SUBJECT: Financial Sub-Committee Issues

DATE: December 2, 2009

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This memorandum provides the input of the Financial Sub-Committee towards three current issues. The main issues are:

1. Sun-setting the BFVCP;
2. Revising the O&M policy (both creating one and placing dollar limits); and
3. Pondering whether to lower the overall funding limits, ie, non-profits et al to \$900,000 and private entities to \$200,000 in an attempt to spread the wealth of limited funds.

Issue #1. No one had any reservations about sun-setting the BFVCP concept and application.

Issue #2. No one had reservation about the O&M policy or its funding limits except one. Specifically, they wanted to understand the rationale for disallowing private entities visual/non-intrusive inspections. I believe the answer is that we originally intended to eliminate these inspections for everyone but there was concern that non-profit entities would be hard pressed financially to fulfill their O&M obligations in this regard. Thus, it was added back in.

Issue #3. Everyone agreed that the BFG funding limits should be lowered (in lieu of raising the 5 million dollar limit). The limits ranged from \$500,000-\$900,000 for non-profit and public entities and \$150,000-\$200,000 for private parties. Someone opined that non-profits could be lowered to \$500,000 but keep private funding at the same level to help with increased tax base concerns. In support of lowering the limits, we conducted a brief analysis of the average and median of the 98 brownfield sites that have received funding. The findings are:

- A. Closed sites (23 private and 6 non-profit for 29 total):

Non-profit: Avg. is \$415,230	Private: Avg. is \$129,441
Med. is \$344,616	Med. is \$140,530
- B. Closed and ongoing sites (61 private and 37 non-profit for 98 total):

Non-profit: Avg. is \$202,004	Private: Avg. is \$100,318
Med. is \$340,003	Med. is \$107,005

For non-profit sites including the excess of the 1 million dollar limit (3 sites totaling \$5,896,798) the numbers are:

Avg. is \$202,004  
Med. is \$499,375